Government of Saskatchewan

Annual Report 1984

Saskatchewan
Milk
Control
Board

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Government of Saskatchewan

Annual Report 1984

Saskatchewan Milk Control Board

FIFTIETH ANNUAL REPORT

FOR THE TWELVE MONTHS

ENDED DECEMBER 31, 1984

SASKATCHEWAN MILK CONTROL BOARD

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SASKATCHEWAN MILK CONTROL BOARD

Honourable Grant Devine
President of the Executive Council
Province of Saskatchewan

Sir:

I have the honour to submit herewith the Fiftieth Annual Report of the Milk Control Board, together with the financial statements for the year ending December 31, 1984, pursuant to the Provisions of Section 38 of the Milk Control Act.

Respectfully submitted,

THE MILK CONTROL BOARD

S. H. Barber

Stan H. Barber
Chairman

ORGANIZATION

The Milk Control Board is a body corporate established pursuant to the Milk Control Act. The powers of the Board are outlined in that Act.

The affairs of the Board are managed by a five-member Board appointed by the Lieutenant-Governor-in-Council. The members of the Board are Mr. Stan H. Barber, Mrs. Henrietta Goplen, Dr. Eiler Humbert, Mr. Ron Steinley and Mr. Hans Seitz. Mr. Barber occupies the position of Chairman of the Board.

The Saskatchewan Milk Control Act empowers the Board to make regulations or orders, inquire into any matter relating to the production, supply, distribution or sale of milk and conduct hearings in connection with price, regulation changes, the use of quotas, the granting of licenses with restrictions, appeals and penalties.

ACTIVITIES

The Board's 50th Anniversary merits some reflection as to an introduction to the 1984 Annual Report.

During the past 50 years, many challenges and changes have occurred in the dairy industry. The industry can be justly proud of the way these changes have been successfully handled. Dedicated Boards, Committees, staff, government personnel and many others, both past and present, have all contributed to the betterment of the total industry.

During 1984, the Board held many meetings to discuss matters of policy and held numerous additional meetings with producers, distributors and other interested parties to discuss matters pertinent to the dairy industry.

In the main, the Board's activities were divided into three broad categories:

(a) reviewing briefs and proposals from producers, processors and consumers regarding milk pricing, control procedures and the industry in general;

(b) dealing with matters related to the Federal Dairy Policy in general and industrial milk and cream market share quotas and levy deductions in particular;

(c) reviewing the Group 1 pool and its quota provisions, transportation and integration.

The Board also carries out administrative, organizational and investigational duties as required.

INTRODUCTION

The difficult economic situation facing Saskatchewan farmers in 1984 has been a dominant factor in the lives of most Saskatchewan people. This year has been particularly difficult for farmers and other small businesses. However, agricultural output is expected to rebound sharply in 1985 with grain and forage output well above the drought-reduced 1984 production.

In the dairy sector, producers of milk and cream have been battling rising input costs. Drought conditions in southern Saskatchewan caused crops to decline to the lowest level in many years. The Board remains convinced, however, that Saskatchewan's dairy producers, despite their many problems, have been better positioned to withstand these trying times because of the existance of the Board and the supply management system.

The state of international dairy markets has been equally discouraging. Surpluses in the United States and the European Economic Community continue to depress the markets in the world trade. This has resulted in significant increases in the within-quota and overquota levies for the 1984-85 dairy year. There are some encouraging signs that the European Economic Community and the United States are taking steps to bring their supply of dairy products more in line with their domestic demands. Assuming these steps are continued, the surplus world stocks of dairy products should decline and world prices improve.

Saskatchewan dairy producers should be carefully assessing their input costs. The more efficiently milk is produced, the better the industry's chances of future viability. By continuing to provide top quality products at reasonable values, Saskatchewan's dairy producers should be in a good position to overcome short-term adversities for a brighter future.

MILK PRODUCTION AND UTILIZATION

During 1984, Group 1 pool milk producers marketed a total of 208,018,088 kilograms of milk. This represents a 5.6 percent increase from the 1983 level (Table I).

Milk shipments during the first six months of 1984 totalled 104,850,603 kilograms or 50.4 percent of total yearly marketings. The more uniform monthly marketings greatly improve efficiency in the processing and trucking industries. The average daily shipment per producer increased by 5.09 percent. Increases in milk shipments were likely stimulated by the 1 percent increase in market share quota at the beginning of the 1983-84 dairy year followed by an additional 1 percent increase effective December 1, 1983.

Whole milk requirements, or milk utilized for the bottle trade in 1984, accounted for 100,990,606 kilograms of milk, an increase of 233,955 kilograms or 0.23 percent over 1983.

Home delivered milk sales and country milk sales continued to decrease, and accounted for 12.3 and 34.2 percent of sales respectively, while wholesale sales to stores and institutions increased from 52.3 percent to 53.5 percent (Table III).

During the 1983-84 dairy year, Saskatchewan producers of milk and cream shipped 102.8 percent of the province's market share quota allotment. After meeting the Board's commitment regarding the payment of overquota levies to the Canadian Dairy Commission, the Board was able to refund approximately $886,000 of the total $2,084,665 collected as overquota levies. Individual producers, therefore, received refunds on their overquota production up to and including 5.33 percent of their individual yearly quotas.

In August, 1984, the Board allocated all of the province's market share quota and fluid quota to milk and cream producers according to the milk and cream quota policies. The Board determined that the province's quota allotments would be fully utilized by approved producers.

PRODUCER POOLS

The milk pooling system successsfully completed its 10th year of operation. Under the regulations, any milk producer wishing to enter the Group I pool must meet the prescribed standards prior to being accepted into the pool. As a Group 1 pool member, each producer receives annually a daily quota, which is based on production during the six month quota period (September 1 to

February 28). Because of producer price advantages, many of the Group II pool producers continue to upgrade their enterprises to Group 1 pool standards.

In December, 1984 there were 781 milk producers in Saskatchewan compared to 802 a year earlier. Of the total Saskatchewan milk producers, approximately 93 percent hold Group 1 pool quota and shipped 95.7 percent of all milk marketed in 1984. The percentage of Group 1 pool shipments paid at Class I price varied from a high of 60.36 percent in March to a low of 52.62 percent in December. The average payment percentage for the year was 56.90 compared to 59.28 a year earlier. The decline in payment percentage is due to a combination of factors, such as a greater utilization of Group 1 pool quota by producers, and an increase in the amount of quota qualifying for Group 1 pool.

There were 56 milk producers who did not qualify for Group 1 pool as of December, 1984, compared to 78 a year earlier. Shipments from these producers were paid for at the Group II pool price and accounted for 4.3 percent of the total milk marketed in Saskatchewan during 1984. As of January 1, 1985, all existing and new producers were required to meet Grade A standards for milk quality. The movement to a single grade of milk will result in further rationalization of milk hauling and savings in transportation costs.

During 1984, the milk pools purchased approximately $7.5 million of milk each month, for a total of $90.2 million for the year. Table VII outlines the average monthly prices paid to producers for Group 1 pool milk shipments based on milk testing at 3.5 percent butterfat.

The following table outlines a three-year comparison of regulated producer milk prices.

REGULATED MILK PRICES PAID BY PROCESSORS BY YEAR
(Per Hundred Kilograms of 3.5% Butterfat)

Product by Class	Jan 1 1983	Dec 31 1983	Dec 31 1984	% Change 1983--84
I	$46.75	$48.65	$51.50	+5.86
II	34.97	36.69	38.49	+4.90
III	33.22	34.94	36.74	+5.15

In carrying out its authority for fluid milk pricing (Class I), the Board utilized production cost data from the Saskatchewan Dairy Farm Accounting Project. The price of Class I milk was increased on one occasion, August 1, 1984, when an increase of $2.85 per 100 kilograms was instituted.

TRANSPORTATION

Under the regulations of the pool, all milk producers are charged haulage to the closest plant. During 1984, transporters have continued to improve their productivity by gradually shifting to larger truck sizes, through increased shipments per producer and by shifting producer routes to minimize haulage distances. During 1984, the total cost to transport the 211.2 million kilograms of milk marketed amounted to $3.756 million, or an average cost of $1.78 per 100 kilograms. This represents an increase of approximately 4 percent on the average cost of $1.71 per 100 kilograms incurred in the previous year.

The transportation rate remained constant during 1984 (Table VIII).

MILK CONTROL BOARD ACTIVITIES

During the year under review, the Board held five official meetings. In addition, Board members participated in a number of Advisory or Quota Committee meetings, and in meetings with the local dairy organizations.

The Board Chairman, together with the members of the Quota Advisory Committee, attended meetings of the Canadian Milk Supply Management Committee. The Chairman continued to serve on the Secretariat to the Canadian Milk Supply Management Committee, and also represented Saskatchewan as a member on the Subcommittee to review the Federal-Provincial Agreement on milk supply management. The Board gratefully acknowledges the contributions of staff and Committee members, and is indebted to the advice, support, and cooperation extended to it by all sectors of the dairy industry.

NATIONAL DAIRY POLICY

On July 27, 1984, Federal Agriculture Minister Ralph Ferguson announced details of the 1984-85 Dairy Policy. Apart from the changes in the levy structure, there were no major adjustments from the previous year.

For the 1984-85 dairy year, provinces were not required to collect uniform inquota levies. This is in response to the request of provincial representatives to the Canadian Milk Supply Management Committee. All provinces agreed to set inquota levies and quotas that would meet their responsibility for funding in a manner that best suited their province. Saskatchewan elected to maintain the inquota levy at $4.99 per 100 kilograms. In order to hold the inquota levy at

this lower rate, the province agreed to allocate only 97.6 percent of the province's total market share quota. No quota cuts were required to accommodate the 97.6 percent and all producers received their normal yearly quotas.

During 1984, three price adjustments were made in producers' target returns for industrial milk. The target return increased from $41.56 per 100 kilograms on December 31, 1983 to $43.36 per 100 kilograms on December 31, 1984. In order to implement the required increase in producers' returns, the Canadian Dairy Commission raised the support price of butter and skim milk powder to $4.78 and $2.85 per kilogram respectively.

MILK CONTROL BOARD ORDERS

The pricing of milk for fluid purposes is a Board responsibility. The Board's primary objective is to provide efficient producers and processors with a fair return to labour, management and investment. The Board utilizes a cost-of-production formula as a guide in decisions related to producer price adjustments.

The Board was engaged in several meetings with the Saskatchewan Milk Producers' Association and the Saskatchewan Distributors' Association to discuss fluid and industrial milk price increases and other related concerns. The following is an outline of the Board Orders for 1984.

In Board Order No. 563, filed January 13, 1984 and effective January 16, 1984, the price structure was revised in the production sector. The adjusted prices for Class II and Class III milk are listed below:

Class II milk --------- $37.06 per 100 kilograms
Class III milk --------- $35.31 per 100 kilograms

In Board Order No. 564, filed April 12, 1984 and effective April 16, 1984, the price structure was revised in the production sector. The adjusted prices for Class II and Class III milk are listed below:

Class II milk --------- $37.69 per 100 kilograms
Class III milk --------- $35.94 per 100 kilograms

In Board Order Nos. 565 and 566, filed July 25, 1984 and effective August 1, 1984, the price structure was revised in the production, retail and wholesale sectors. These orders increased the consumer's price of milk by $0.03 per litre for retail home delivery. The following were the adjusted price schedules:

Whole Milk ---------- $ 3.40/4 ℓ pouch pak
---------- $ 1.74/2 ℓ carton
Partly Skimmed --------- $ 3.32/4 ℓ pouch pak
--------- $ 1.70/2 ℓ carton
Skim Milk ---------- $ 3.12/4 ℓ pouch pak
---------- $ 1.60/2 ℓ carton
Chocolate Drink -------- $ 0.96/1 ℓ carton
Buttermilk ---------- $ 0.91/1 ℓ carton

Class I milk ---------- $51.50 per 100 kilograms

In Board Order No. 567, filed August 9, 1984 and effective August 16, 1984, the price structure was revised in the production sector. The adjusted prices for Class II and Class III milk are listed below:

Class II milk --------- $38.49 per 100 kilograms
Class III milk --------- $36.74 per 100 kilograms

BOARD FINANCING

As in previous years, the Board's income continued to be derived from assessment fees levied on producers and processors, processor license fees and interest on investments.

THE MILK CONTROL BOARD

FINANCIAL STATEMENTS

Year Ended December 31, 1984

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheet of The Milk Control Board as at December 31, 1984, and the statement of revenue, expenditure and operating surplus for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of The Milk Control Board as at December 31, 1984, and the results of its operations for the year then ended in accordance with the disclosed basis of accounting applied on a basis consistent with that of the preceding year.

W. G. Lutz

Regina, Saskatchewan,
April 16, 1985.

W. G. Lutz, F.C.A.,
Provincial Auditor.

Statement 1

THE MILK CONTROL BOARD

BALANCE SHEET

As at December 31, 1984

(with comparative figures at December 31, 1983)

	1984	1983
ASSETS		
Current:		
Cash and short term deposits (at cost)	$ 615,092	$544,144
Accounts receivable		
- producers - on behalf of Canadian Dairy Commission levy	460,338	380,513
- assessment fees	33,199	21,155
- overquota levy	71,867	7,708
- accrued interest	13,860	1,563
- grant - Canadian Dairy Commission (Note 6)	3,750	11,250
- grant - Saskatchewan Agriculture (Note 6)	19,785	-
	1,217,891	966,333
Fixed:		
Office furniture & equipment, at cost	24,189	17,101
	$1,242,080	$983,434
LIABILITIES AND SURPLUS		
Current:		
Accounts payable		
- Canadian Dairy Commission	$ 809,855	$722,432
- overquota levy	124,091	15,288
- vacation accrual	18,645	13,428
- other	14,182	7,939
- Dairy Producers Co-op Ltd. (Note 7)	107,044	-
Deferred government assistance	-	5,188
	1,073,817	764,275
Equity:		
Fixed assets (Note 1)	24,189	17,101
Operating surplus (Statement 2)	144,074	202,058
	$1,242,080	$983,434

(See accompanying notes to the financial statements)

Statement 2

THE MILK CONTROL BOARD

STATEMENT OF REVENUE, EXPENDITURE AND OPERATING SURPLUS

Year Ended December 31, 1984

(with comparative figures for the 1983 year)

	1984	1983
Revenue:		
Assessment fees	$232,726	$217,106
Interest	95,205	37,498
Market-share quota management assessment	51,473	48,977
Cost of Production Study grants	39,973	39,163
Licence fees	140	150
Miscellaneous	497	432
	420,014	343,326
Expenditure:		
Salaries	193,562	202,922
Cost of Production Study	65,700	64,095
Travel, sustenance and vehicle expense	24,274	20,831
Rent	18,484	20,212
Employee benefits	9,860	10,225
Telephone	8,171	6,770
Honorarium - Advisory Board	4,850	3,620
- Milk Control Board	4,950	1,860
Printing, stationery and office supplies	2,978	4,963
Postage	3,226	3,979
Computer communication charges	711	--
Sundry	3,205	5,571
Insurance	98	98
Purchase of fixed assets	8,259	402
Overquota levy expenses	22,626	2,711
	370,954	345,548
Excess of revenue over expenditure (expenditure over revenue) before extraordinary item	49,060	(2,222)
Extraordinary item (Note 7)	(107,044)	--
Excess of expenditure over revenue	(57,984)	(2,222)
Operating surplus, beginning of year	202,058	204,280
Operating surplus, end of year - to Statement 1	$144,074	$202,058

(See accompanying notes to the financial statements)

THE MILK CONTROL BOARD

NOTES TO FINANCIAL STATEMENTS

December 31, 1984

1. Significant Accounting Policies

These financial statements have been prepared in accordance with accounting policies that are considered appropriate for organizations of this type. The significant accounting policies are as follows:

i) Fixed Assets

The Board follows the policy of charging to current year's expenditure the full cost of assets purchased during the year. The cost of the fixed assets is shown on the balance sheet and no depreciation is recorded.

ii) Government Assistance

The Board receives grants from the Saskatchewan Department of Agriculture to assist in Cost of Production studies. This government assistance is recognized as an account receivable to the extent that the related expenses have been incurred in regard to the Cost of Production Study.

2. Incorporation

The Milk Control Board was established as a body corporate under The Milk Control Act, Chapter 234, Revised Statutes of Saskatchewan, 1965, and is continued under Chapter M-15, Revised Statutes of Saskatchewan, 1978.

The Board has authority to make any regulations or orders in connection with the production, supply, distribution or sale of milk as it may deem necessary.

3. Lease Commitment

At December 31, 1984, the Board was committed under a lease until September 1, 1987, at a monthly rental of $1,256, plus a proportionate share of taxes and utilities which exceed the base year.

4. Contract Commitment

At December 31, 1984, the Board was committed for an estimated amount of $15,255 for the remainder of a research study.

5. Comparative Figures

Certain 1983 figures have been restated to conform to 1984 presentation.

6. Government Assistance

a) In 1985, the Milk Control Board will receive $26,380 from Saskatchewan Department of Agriculture to assist in the costs of the Saskatchewan Dairy Study. As of December 31, 1984, approximately three-quarters of the study was complete, the remainder will be completed in 1985. A portion of the assistance has been accrued as an accounts receivable in 1984 in order to match the funds to be received with the expenses incurred.

b) In 1985 the Milk Control Board will receive $7,500 from the Canadian Dairy Commission to assist in the costs of the Saskatchewan Dairy Study. As of December 31, 1984, approximately three-quarters of the Study was complete in 1984. A portion of the assistance has been accrued as an accounts receivable in 1984 in order to match the funds to be received with the expenses incurred.

7. Extraordinary Item

As of December 31, 1984, the Milk Control Board owed Dairy Producers Co-operative Ltd. $107,044 for monies that were paid by Dairy Producers Co-operative Ltd. to producers as a result of the bankruptcy of Bell's Dairy Ltd. in 1984.

TABLE 1

TOTAL WHOLE MILK REQUIREMENTS, NUMBER OF MILK PRODUCERS AND AVERAGE DAILY PRODUCTION 1983-84 (KGS)

PERIOD	YEAR	WHOLE MILK REQUIREMENTS	TOTAL PRODUCTION	NUMBER OF PRODUCERS	DAILY AVERAGE PER PRODUCER
January	1983	8,249,464	15,351,625	725	683
	1984	8,617,066	16,756,563	722	749
February	1983	7,837,504	14,678,283	725	723
	1984	7,858,188	16,299,598	722	778
March	1983	9,312,940	17,067,308	725	759
	1984	9,056,604	17,934,629	722	801
April	1983	7,820,948	17,004,761	724	783
	1984	7,940,886	17,462,266	724	804
May	1983	8,431,629	17,861,446	726	794
	1984	8,654,581	18,413,112	727	817
June	1983	8,351,995	17,884,904	721	827
	1984	8,159,411	17,984,435	722	830
July	1983	7,485,132	17,616,281	720	789
	1984	7,792,952	18,336,821	726	815
August	1983	8,322,442	16,941,498	723	756
	1984	8,755,541	18,153,182	730	802
September	1983	9,098,284	15,783,745	722	729
	1984	7,921,936	16,829,757	725	774
October	1983	8,554,527	15,637,361	729	692
	1984	9,003,928	16,584,979	723	740
November	1983	8,487,011	15,106,506	722	697
	1984	9,036,835	15,984,414	724	736
December	1983	8,804,775	16,077,298	724	716
	1984	8,192,678	17,278,332	729	765
TOTALS	1983	100,756,651	197,011,016	724	746
	1984	100,990,606	208,018,088	725	784
% Change		+.23	+5.59		+5.09

TABLE II

COMPARATIVE FIGURES ON KILOGRAMS OF MILK PRODUCTION AND SALES 1982-83-84

CONTROL AREAS		1982	1983	1984
REGINA	PRODUCTION	38,913,790	40,522,575	42,186,699
	SALES	31,979,136	32,575,755	33,118,528
PRINCE ALBERT	PRODUCTION	6,834,681	7,243,849	7,644,893
	SALES	6,310,122	6,121,092	6,204,015
YORKTON	PRODUCTION	27,006,144	30,712,938	35,486,683
	SALES	7,379,453	7,489,258	8,600,236
SASKATOON	PRODUCTION	69,027,476	73,881,151	78,479,504
	SALES	31,731,796	32,474,638	32,306,165
SWIFT CURRENT	PRODUCTION	20,553,058	21,752,372	22,506,286
	SALES	4,672,489	4,697,268	4,690,648
BATTLEFORDS	PRODUCTION	7,743,968	8,055,755	8,605,217
	SALES	4,555,509	4,581,783	4,604,327
MELVILLE	PRODUCTION	2,353,412	2,225,129	366,238
	SALES	1,828,417	1,718,384	253,135
WEYBURN	PRODUCTION	2,261,184	2,330,612	2,248,374
	SALES	2,499,368	2,426,810	2,369,362
ESTEVAN	PRODUCTION	2,477,007	2,565,492	2,486,596
	SALES	1,927,482	2,007,268	2,077,853
MELFORT	PRODUCTION	4,340,273	4,443,244	4,466,709
	SALES	3,900,026	3,747,175	3,833,680
LLOYDMINSTER	PRODUCTION	2,845,453	3,277,899	3,540,889
	SALES	2,892,199	2,917,220	2,932,657
TOTALS	PRODUCTION	184,356,446	197,011,016	208,018,088
	SALES	99,675,997	100,756,651	100,990,606

TABLE III

COMPARATIVE SALES BY LITRES OF MILK AND CREAM PRODUCTS IN CONTROL AREAS, 1983-84

PRODUCTS	YEAR	RETAIL SALES (HOME DELIVERY)	WHOLESALE SALES	COUNTRY SALES	TOTAL SALES	%
Whole Milk	1983	3,502,227	13,457,094	10,475,243	27,434,564	27.9
	1984	3,185,386	13,075,863	9,748,215	26,009,464	26.4
Partly Skimmed	1983	8,115,354	32,122,763	21,048,114	61,286,231	62.3
	1984	7,934,859	33,365,837	21,119,304	62,420,000	63.4
Skim Milk	1983	806,241	2,490,603	875,552	4,172,396	4.3
	1984	822,433	2,905,197	1,056,276	4,783,906	4.9
Chocolate Milk	1983	174,192	2,933,376	1,555,424	4,662,992	4.7
	1984	167,226	2,901,373	1,487,732	4,556,331	4.6
Buttermilk	1983	41,299	442,001	269,205	752,505	0.8
	1984	37,643	446,584	273,458	757,685	0.7
TOTAL MILK SALES	1983	12,639,313	51,445,837	34,223,538	98,308,688	100.0
	1984	12,147,547	52,694,854	33,684,985	98,527,386	100.0
10% Cream	1983	151,979	1,210,451	499,974	1,862,404	
	1984	140,276	1,276,101	507,029	1,923,406	
32% Cream	1983	14,973	324,822	209,896	549,691	
	1984	13,458	358,805	207,470	579,733	

TOTAL MILK SALES BY DISTRIBUTION OUTLET, 1983-84

	1983	%	1984	%
Retail Sales (Home Delivery)	12,639,313	12.9	12,147,547	12.3
Wholesale Sales	51,445,837	52.3	52,694,854	53.5
Country Sales	34,223,538	34.8	33,684,985	34.2
TOTAL SALES	98,308,688	100.0	98,527,386	100.0

TABLE IV

INDUSTRIAL MILK AND CREAM RECEIPTS - 1983-84

MONTH	YEAR	AVERAGE TEST	INDUSTRIAL MILK KILOGRAMS MILK	INDUSTRIAL MILK KGS B.F.	INDUSTRIAL CREAM KGS. B.F.	TOTAL MILK & CREAM KGS B.F.
January	1983	3.75	849,150	31,803	49,063	80,866
	1984	3.74	756,201	28,298	47,838	76,136
February	1983	3.65	824,210	30,057	50,270	80,327
	1984	3.64	799,954	29,129	48,534	77,663
March	1983	3.57	945,415	33,739	70,849	104,588
	1984	3.62	871,642	31,548	60,026	91,574
April	1983	3.58	937,326	33,565	74,975	108,540
	1984	3.58	852,962	30,566	65,594	96,160
May	1983	3.52	995,751	35,090	88,919	124,009
	1984	3.47	963,413	33,412	88,020	121,432
June	1983	3.39	1,070,112	36,316	106,446	142,762
	1984	3.40	982,938	33,397	85,862	119,259
July	1983	3.43	1,036,551	35,533	91,475	127,008
	1984	3.42	919,314	31,477	76,459	107,936
August	1983	3.41	942,722	32,186	99,632	131,818
	1984	3.50	716,877	25,082	92,013	117,095
September	1983	3.57	819,549	29,244	86,448	115,692
	1984	3.75	722,930	27,102	68,866	95,968
October	1983	3.83	722,385	27,647	64,652	92,299
	1984	3.86	677,253	26,115	59,960	86,075
November	1983	3.90	671,701	26,225	53,963	80,188
	1984	3.83	531,547	20,348	48,822	69,170
December	1983	3.84	740,219	28,431	44,995	73,426
	1984	4.28	522,859	22,389	39,121	61,510
Yearly Totals	1983	3.60	10,555,091	379,836	881,687	1,261,523
	1984	3.64	9,317,890	338,863	781,115	1,119,978

TABLE V

SALES OF MILK AND CREAM PRODUCTS IN LITRES IN CONTROL AREAS - 1983-84

		WHOLE MILK	PARTLY SKIMMED MILK	SKIM MILK	CHOCOLATE MILK	BUTTER MILK	10% CREAM	32% CREAM	TOTAL LITRES
Regina	1983	8,765,632	19,489,129	1,691,456	1,618,866	230,621	697,188	142,039	32,634,931
	1984	8,437,148	20,177,722	1,886,969	1,584,082	234,432	727,785	154,983	33,203,121
% Change		- 3.75	+ 3.53	+11.56	- 2.15	+ 1.65	+ 4.39	+ 9.11	+ 1.74
Prince Albert	1983	1,919,832	3,621,807	113,776	270,974	44,857	58,798	30,928	6,060,972
	1984	1,834,032	3,740,984	154,602	278,546	44,183	62,140	32,163	6,146,650
% Change		- 4.47	+ 3.29	+35.88	+ 2.79	- 1.50	+ 5.68	+ 3.99	+ 1.41
Yorkton	1983	2,501,421	4,294,552	203,002	211,019	83,558	168,445	54,524	7,516,521
	1984	2,754,482	4,994,973	274,087	265,453	88,987	197,327	70,311	8,645,620
% Change		+10.12	+16.31	+35.02	+25.80	+ 6.50	+17.15	+28.95	+15.02
Saskatoon	1983	7,946,373	20,520,426	1,481,087	1,502,605	235,534	701,140	187,555	32,574,720
	1984	7,468,940	20,701,618	1,682,178	1,418,198	243,734	707,204	205,457	32,427,329
% Change		- 6.01	+ .88	+13.58	- 5.62	+ 3.48	+ .86	+ 9.54	- .45
Swift Current	1983	1,276,027	2,868,423	201,518	187,615	46,285	50,618	31,746	4,662,232
	1984	1,185,701	2,906,864	246,756	190,293	44,314	54,079	32,144	4,660,151
% Change		- 7.08	+ 1.34	+22.45	+ 1.43	- 4.26	+ 6.84	+ 1.25	- .04
Battlefords	1983	1,452,256	2,709,660	91,742	186,768	27,320	43,937	20,503	4,532,186
	1984	1,399,579	2,758,666	109,639	194,290	28,346	48,018	22,017	4,560,555
% Change		- 3.63	+ 1.81	+19.51	+ 4.03	+ 3.76	+ 9.29	+ 7.38	+ .63
Melville[1/]	1983	600,407	960,854	6,548	97,444	13,182	26,702	25,293	1,730,430
	1984	90,734	141,051	841	12,690	1,763	5,502	2,932	255,513
% Change		-84.89	-85.32	-87.16	-86.98	-86.63	-79.39	-88.41	-85.23
Weyburn	1983	666,039	1,432,513	116,247	138,157	17,433	29,108	9,693	2,409,190
	1984	601,797	1,443,154	114,132	139,473	16,207	30,582	9,876	2,355,221
% Change		- 9.65	+ .74	- 1.82	+ .95	- 7.03	+ 5.06	+ 1.89	- 2.24
Estevan	1983	594,571	1,219,755	38,358	95,913	10,357	16,957	9,651	1,985,562
	1984	592,124	1,277,868	46,470	100,465	11,042	17,137	10,108	2,055,214
% Change		- .41	+ 4.76	+21.15	+ 4.75	+ 6.61	+ 1.06	+ 4.74	+ 3.51
Melfort	1983	1,089,275	2,265,006	98,762	171,676	31,198	45,083	26,785	3,727,790
	1984	1,052,106	2,356,006	120,152	179,617	32,899	48,659	27,554	3,816,993
% Change		- 3.41	+ 4.02	+21.66	+ 4.63	+ 5.45	+ 7.92	+ 2.87	+ 2.39
Lloydminster[2/]	1983	622,731	1,904,106	129,900	181,955	12,160	24,423	10,974	2,886,249
	1984	592,821	1,921,094	148,080	193,224	11,778	24,973	12,188	2,904,158
% Change		- 4.80	+ .89	+14.00	+ 6.19	- 3.14	+ 2.25	+11.06	+ .62
TOTALS	1983	27,434,564	61,286,231	4,172,396	4,662,992	752,505	1,862,404	549,691	100,720,783
	1984	26,009,464	62,420,000	4,783,906	4,556,331	757,685	1,923,406	579,733	101,030,525
% Change		- 5.19	+ 1.85	+14.65	- 2.29	+ .69	+ 3.27	+ 5.47	+ .31

1/ Melville plant closed, Yorkton and Regina assumed sales.

2/ Lloydminster is not a controlled area but is under the Saskatchewan Fluid Milk Pool

TABLE VI

SALES OF FLUID MILK IN LITRES IN CONTROL AREAS, 1983-84 (WHOLE MILK, PARTLY SKIMMED, SKIM, CHOCOLATE, BUTTERMILK)

		REGINA	PRINCE ALBERT	YORKTON	SASKATOON	SWIFT CURRENT	BATTLEFORDS	MELVILLE[1/]	WEYBURN	ESTEVAN	MELFORT	LLOYD-MINSTER	TOTALS
Jan.	1983	2,591,848	502,875	584,931	2,634,824	371,112	343,996	139,708	193,059	156,233	295,256	233,312	8,047,154
	1984	2,748,329	498,795	617,419	2,760,736	380,369	363,488	130,152	191,463	168,181	300,369	246,851	8,406,152
% Change		+ 6.04	- .81	+ 5.55	+ 4.78	+ 2.49	+ 5.67	- 6.84	- .83	+ 7.65	+ 1.73	+ 5.80	+ 4.46
Feb.	1983	2,475,435	472,253	560,257	2,481,497	342,587	340,328	137,167	186,897	149,838	282,532	218,085	7,646,876
	1984	2,459,607	459,939	602,060	2,502,644	349,721	343,472	116,927	173,511	161,376	284,177	214,262	7,667,696
% Change		- .64	- 2.61	+ 7.46	+ .85	+ 2.08	+ .92	-14.76	- 7.16	+ 7.70	+ .58	- 1.75	+ .27
March	1983	2,962,644	531,058	656,027	2,971,530	409,294	408,744	159,018	219,422	176,467	333,919	256,700	9,084,823
	1984	2,923,605	519,450	755,661	2,898,463	400,943	380,725		202,296	180,879	325,454	247,919	8,835,395
% Change		- 1.32	- 2.19	+15.19	- 2.46	- 2.04	- 6.85		- 7.81	+ 2.50	- 2.54	- 3.42	- 2.75
April	1983	2,450,991	451,989	577,645	2,490,780	352,026	334,632	133,749	187,330	153,529	279,176	216,176	7,628,023
	1984	2,541,880	467,912	642,133	2,532,126	365,072	345,358		178,650	155,803	288,094	228,020	7,745,048
% Change		+ 3.71	+ 3.52	+11.16	+ 1.66	+ 3.71	+ 3.21		- 4.63	+ 1.48	+ 3.19	+ 5.48	+ 1.53
May	1983	2,639,922	499,325	601,771	2,648,251	392,934	372,712	147,148	213,519	159,849	305,910	242,916	8,224,257
	1984	2,783,572	508,724	734,144	2,678,645	406,578	384,548		199,700	175,278	326,979	243,257	8,441,425
% Change		+ 5.44	+ 1.88	+22.00	+ 1.15	+ 3.47	+ 3.18		- 6.47	+ 9.65	+ 6.89	+ .14	+ 2.64
June	1983	2,633,788	504,263	604,687	2,567,970	397,683	393,850	141,396	196,836	162,267	306,504	239,672	8,148,916
	1984	2,619,515	512,198	708,993	2,474,176	374,148	378,541		195,095	166,909	311,682	218,676	7,959,933
% Change		- .54	+ 1.57	+17.25	- 3.65	- 5.92	- 3.89		- .88	+ 2.86	+ 1.69	- 8.76	- 2.32
July	1983	2,282,314	491,604	567,443	2,282,905	344,993	370,689	149,668	183,450	138,925	278,772	216,503	7,307,266
	1984	2,438,023	512,993	667,795	2,355,137	372,656	389,557		196,745	149,417	299,891	225,500	7,607,714
% Change		+ 6.82	+ 4.35	+17.68	+ 3.16	+ 8.02	+ 5.09		+ 7.25	+ 7.55	+ 7.58	+ 4.16	+ 4.11
Aug.	1983	2,594,336	514,904	629,803	2,533,193	398,041	396,988	152,143	199,522	162,326	310,910	234,079	8,126,245
	1984	2,821,260	568,163	733,471	2,608,085	412,632	421,425		213,580	173,081	344,454	249,549	8,545,700
% Change		+ 8.75	+10.34	+16.46	+ 2.96	+ 3.67	+ 6.16		+ 7.05	+ 6.63	+10.79	+ 6.61	+ 5.16
Sept.	1983	2,938,815	524,586	631,589	2,881,764	412,490	386,855	139,551	204,964	177,402	327,817	254,176	8,880,009
	1984	2,550,365	464,561	702,584	2,469,872	350,663	334,753		176,591	165,800	292,630	221,325	7,729,144
% Change		-13.22	-11.44	+11.24	-14.29	-14.99	-13.47		-13.84	- 6.54	-10.73	-12.92	-12.96
Oct.	1983	2,727,465	488,176	625,001	2,721,799	384,517	360,956	121,548	197,640	164,461	306,394	250,565	8,348,522
	1984	2,896,034	524,171	754,796	2,841,142	396,442	393,164		207,112	181,136	330,892	260,391	8,785,280
% Change		+ 6.18	+ 7.37	+20.77	+ 4.38	+ 3.10	+ 8.92		+ 4.79	+10.14	+ 8.00	+ 3.92	+ 5.23
Nov.	1983	2,698,401	483,628	625,919	2,697,807	370,874	368,095	131,539	187,130	171,290	304,851	242,607	8,282,141
	1984	2,941,352	522,749	738,367	2,852,462	396,450	388,417		200,552	179,188	331,162	264,978	8,815,677
% Change		+ 9.00	+ 8.09	+17.97	+ 5.73	+ 6.90	+ 5.52		+ 7.17	+ 4.61	+ 8.63	+ 9.22	+ 6.44
Dec.	1983	2,799,745	506,585	628,479	2,773,705	403,317	389,901	125,800	200,620	186,367	323,876	246,061	8,584,456
	1984	2,596,811	492,692	720,559	2,541,180	368,254	367,072		179,468	170,921	304,996	246,269	7,988,222
% Change		- 7.25	- 2.74	+14.65	- 8.38	- 8.69	- 5.86		-10.54	- 8.29	- 5.83	+ .08	- 6.95
TOTALS	1983	31,795,704	5,971,246	7,293,552	31,686,025	4,579,868	4,467,746	1,678,435	2,370,389	1,958,954	3,655,917	2,850,852	98,308,688
	1984	32,320,353	6,052,347	8,377,982	31,514,668	4,573,928	4,490,520	247,079	2,314,763	2,027,969	3,740,780	2,866,997	98,527,386
% Change		+ 1.65	+ 1.36	+14.87	- .54	- .13	+ .51	-85.28	- 2.35	+ 3.52	+ 2.32	+ .57	+ .22

1/ Melville Processing Plant Ceased. Yorkton and Regina Areas Assumed Sales.

TABLE VII

THE AVERAGE MONTHLY MILK POOL PRICE, 1983-84[1/]
(Per Hundred Kilograms of 3.5% Butterfat)

	Group I Pool			Group II Pool		
Month	1983	1984	% Change	1983	1984	% Change
January	$41.49	$43.23	4.2	$34.46	$35.61	3.3
February	41.73	42.98	3.0	34.49	35.62	3.3
March	42.04	43.48	3.4	34.46	35.58	3.3
April	41.08	42.94	4.4	34.42	35.96	4.5
May	41.45	43.40	4.7	35.20	36.12	2.6
June	41.42	43.23	4.4	34.30	35.97	4.9
July	40.55	42.68	5.3	34.19	35.96	5.2
August	41.47	44.86	8.2	34.76	36.50	5.0
September	42.55	45.18	6.2	35.59	37.20	4.5
October	42.13	45.51	8.0	35.92	37.12	3.3
November	43.48	45.98	5.7	35.96	37.59	3.3
December	43.28	44.71	3.3	35.77	37.24	4.5
YEARLY AVERAGE	41.91	44.05	5.1	34.69	36.23	4.4

1/ Price includes subsidies less inquota levies.

TABLE VIII

SCHEDULE OF BASIC TRANSPORTATION CHARGES
BASED ON PRODUCER MONTHLY PRODUCTION

KGS. PRODUCED MONTHLY	PRODUCER[1/] BASIC RATE 1984
Min. Charge - 9,000	1.264
9,001 - 13,600	1.238
13,601 - 18,100	1.213
18,101 - 22,600	1.174
22,601 - 27,200	1.160
27,201 - 31,700	1.148
31,701 - 36,200	1.135
36,201 - 40,800	1.122
40,801 - 45,300	1.109
45,301 - 49,900	1.096
49,901 - 54,400	1.084
54,401 - 58,900	1.070
58,901 - 63,500	1.057
63,501 - 68,000	1.045
68,001 - 72,600	1.031
72,601 - 77,100	1.019
77,101 - 81,600	1.006
81,601 - 86,200	.980
86,201 - 90,700	.980
90,701 and Over	

Distance to be based on the air kilometers between the producer and the nearest processor.

1/ A kilometer rate of 1.21¢ (.0121) per kilometer per 100 kgs.